

**REGULAR MEETING  
of the  
CITY OF RIALTO  
CITY COUNCIL/REDEVELOPMENT AGENCY  
and  
RIALTO HOUSING AUTHORITY  
MINUTES  
September 7, 2004**

A regular meeting of the City Council/Redevelopment Agency of the City of Rialto was held in the City Council Chambers located at 150 South Palm Avenue, Rialto, California 92376, on Tuesday, September 7, 2004.

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This meeting was called by the presiding officer of the Rialto City Council in accordance with the provisions of **Government Code §54956** of the State of California.

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**CALL TO ORDER**

Mayor Vargas called the meeting to order at 4:04 p.m.

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The roll was called and the following were present: Mayor Vargas, Mayor Pro Tem Wilson and Council Members Hanson and Sampson. Also present were City Administrator Garcia, City Attorney Owen and City Clerk McGee. Council Member Robertson was absent.

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**CLOSED SESSION**

1. Conference with Legal Counsel – existing litigation. The City Council will discuss the following pending litigation pursuant to Government Code Section 54956.9(a):
  - (a) City of Rialto v. United States Department of Defense, et. al.  
(United States District Court Case No. EDVC 04-00079)
  - (b) Cortez, et. al. v. City of Rialto, et. al.  
(San Bernardino Superior Court No. SCVSS101568)
  - (c) Velasquez et. al. v. City of Rialto, et. al.  
(San Bernardino Superior Court No. SCVSS115869)
  - (d) Howard, et. al. v. City of Rialto, et. al.  
(San Bernardino Superior Court No. SCVSS114442)

## **CLOSED SESSION**

2. Conference with Legal Counsel – anticipated litigation. The City Council will meet with its legal counsel to discuss initiating litigation pursuant to Section 54956.9, subdivision (c) of the Government Code with respect to one potential case.
3. The City Council will consider the following matter pursuant to Government Code section 54956.95:  
Claimant: Omar Fernandez (Case No. VNO 0438500)  
Agency Claimed Against: City of Rialto

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Motion by Council Member Hanson, second by Council Member Sampson and carried by unanimous vote to go into Closed Session. City Council went into Closed Session at 4:07 p.m. and returned at 4:45 p.m.

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## **CALL TO ORDER**

Mayor Vargas called the meeting to order at 6:05 p.m.

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The roll was called and the following were present: Mayor Vargas, Mayor Pro Tem Wilson, Council Members Robertson, Hanson and Sampson. Also present were City Administrator Garcia, City Attorney Owen and City Clerk McGee.

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## **Pledge of Allegiance and Invocation**

Council Member Robertson led the pledge of allegiance. Pastor Michael Garrett – Bethlehem Temple Church gave the Invocation.

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## **CITY ATTORNEY'S REPORT ON CLOSED SESSION**

City Attorney Owen stated that in Closed Session the City Council conferred with its attorney regarding each of the four items of existing litigation shown on the Closed Session portion of the agenda. On the first two cases the City Council merely conferred with its attorney and on the last two cases the City Council authorized defense of those actions by the Law Offices of Robert A. Owen. The City Council also met to decide whether to initiate litigation pursuant to Government Code Section 54956.9 (c). The City Council ratified the termination of the contract with Yamamoto Inc. for the landscaping services in the Landscaping Maintenance District No. 1 of the City. People may have noticed medians that are not being landscaped appropriately and this is why City Council authorized termination of that contract. They will on an emergency basis be retaining someone else to maintain that District immediately. Finally the City Council conferred with its Attorney regarding the claim of Omar Fernandez.

## **PRESENTATIONS AND PROCLAMATIONS**

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Barbara Dellinger, ASWM Department announced the International Family Festival, Pollution Prevention Fair and Redevelopment Agency Housing Fair on September 18<sup>th</sup> at Rialto City Park at 10:00 a.m. – 4:00 p.m.

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Larry Thornburg, Recreation & Community Services Director presented the Recreation and Community Services Department Update regarding programs and projects.

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Council Member Robertson asked when Recreation plans to hold their public meetings so residents can participate regarding the parks.

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Larry Thornburg, Recreation & Community Services Director stated that they will be getting a schedule from the Landscape Architect within the next two weeks and plan the public meeting for October and will be noticing the residents in the area and hope to get Assemblymember John Longville.

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Police Lieutenant Robert Kellum gave an update regarding the implementation of Commercial Vehicle Parking Enforcement.

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Sgt. Craig Crispin presented the report for the August Code Enforcement activities.

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## **CONSENT CALENDAR**

### **A. WAIVE FULL READING OF ORDINANCES**

1. Waive reading in full, all ordinances considered at this meeting.

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### **B. APPROVAL OF WARRANT RESOLUTIONS**

1. Resolution No. 5 (7/30/04)
2. Resolution No. 6 (8/06/04)
3. Resolution No. 7 (8/13/04)
4. Resolution No. 8 (8/20/04)
5. Resolution No. 9 (8/27/04)

## **CONSENT CALENDAR**

### **C. APPROVAL OF MINUTES**

1. Special RDA/City Council Budget Meeting – May 25, 2004
2. Regular RDA/City Council Meeting – June 1, 2004

### **D. SETTING OF PUBLIC HEARINGS**

1. Request City Council to set a Public Hearing for the **September 21, 2004** City Council Meeting to consider and approve the City's Consolidated Annual Performance and Evaluation Report.
2. Request City Council to approve the application for the U.S. Dept. of Justice Local Law Enforcement Block Grant Program (LLEBG-2004), established within the Bureau of Justice Assistance (BJA) for fiscal year 2004 and set a Public Hearing for the **September 21, 2004** City Council Meeting.

### **E. MISCELLANEOUS**

1. Request City Council to adopt **Resolution No. 5151** setting new rates for rubbish disposal and recycling service.
2. Request City Council to adopt **Resolution No. 5152** to award the three year contract for inserting and mail processing services with Inland Presort and Mailing in the amount of \$45,314.
3. Request City Council to adopt **Resolution No. 5153** authorizing the destruction of certain Municipal Records of the Finance Department.
4. Request City Council to adopt **Resolution No. 5154** in support of Proposition 1A.
5. Request City Council to award the Consolidated Plan Consulting Services to LDM Associates, Inc. for an amount not to exceed \$17,500
6. Request City Council to approve and accept the Final Map of Tract No. 16308 (Blackmon Homes).
7. Request City Council to approve the Weed Abatement Fees for County Tax Rolls.
8. Request City Council to approve Parcel Map No. 16062 and acceptance of the offer of street dedication.
9. Request City Council to approve the Quitclaim Deed No. 1717.
10. Request City Council to adopt **Resolution No. 5155** for reclaimed water system completion in the amount of \$20,000.

## **CONSENT CALENDAR**

### **E. MISCELLANEOUS (*continued*)**

11. Request City Council to approve the amendment to the Professional Service Agreement with LDM Associates to administer the seismic retrofit and commercial rehabilitation program and the commercial sign and paint program and increase PO#2003-1534 in an amount not to exceed \$50,000.
12. Request City Council to approve the increase to purchase order 1004-2400 with CBIZ Accounting, Tax and Advisory of Orange County, Inc., to provide valuation services relating to the GASB34 Implementation.
13. Request Redevelopment Agency to approve the terms of the Retention Agreement with Stradling Yocca Carlson & Rauth for Special Legal Services.
14. Request City Council to approve the Redesigned Website Implementation – Phase Two with Pandemic Media and increase to purchase Order No. 2004-3017 in the amount of \$37,450.
15. Request Redevelopment Agency to adopt **RDA Resolution No. 379** declaring the Agency's intention to reimburse certain expenditures from the proposed tax exempt financing as required by the United States Treasury Department.
16. Request Redevelopment Agency to adopt **RDA Resolution No. 380** making a finding that Planning and Administrative Expenses are necessary and reasonable and may be funded from the Low-to-Moderate Income Housing Fund.
17. Request City Council to make findings of continuing the Emergency for the Acquisition of Wellhead Treatment.

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Motion by Mayor Pro Tem Wilson, second by Council Member Robertson and carried by unanimous vote to approve the Consent Calendar as presented.

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## **NEW BUSINESS**

### **TAB 1 – Fiscal 2002/03 Annual Financial Statement and Compliance Report**

June Overholt, Chief Financial Officer stated that staff is recommending that City Council receive and file the audited financial statements for Fiscal Year ending June 30, 2003. The audit was more complex this last year due to GASB 34, which changed the presentation of the financial statements and had some requirement that required the City hiring consultants to gather the information so it can be included in the financial statements.

## **NEW BUSINESS**

### **TAB 1 – Fiscal 2002/03 Annual Financial Statement and Compliance Report**

June Overholt, Chief Financial Officer stated that Rod LeMond from McGladrey & Pullen the City's auditors will give the presentation on the financial status of the City. McGladrey & Pullen have been a critical component of the City's reengineering of the financial condition that started in 2000. Since that time many things have occurred that were huge successes that are part of City Council's own success and report card, including of elimination of internal service deficit funds and creating an actual reserve within the General Fund and the establishment of the Rialto Utility Authority.

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Mr. Rod LeMond stated that their responsibility as auditors for the city is to audit the financial statements of the City and the Redevelopment Agency. As reported in the past, those audits are more than just the accuracy of the numbers, there is a format and presentation of the financial statements must follow so it is comparable with other governments and other cities. Because of so much of the City's funding sources have strings attached, where they are receiving money from another larger governmental agency and they want to watch how that money is used and the City will have to comply with certain provisions of these funding agreements. So the auditor's responsibility is to insure that the numbers are accurate and that the City is in compliance. There are Governmental Auditing Standards which prescribe the manner in which they conduct the audit. They address things such as auditor independence so they are truly getting an unbiased view point from the auditor and it addresses how the information is reported to the City Council. What is new this year is the GASB34 (Governmental Accounting Standards Board) and for a couple of years they have been telling the City Council about this "Big Bang" coming and it happened and it caused a delay in completing the audit. The City was required for the first time to go out and account for some things and record that information inside the financial statements, most noticeably is right-of-ways and alleys. The financial costs and investments from those alleys had never been reported in the financial statements and certainly are now. There is much broader picture with this set of financials with a dual perspective. The government has managed primarily on a fund basis and fund balances are something you appropriate annually through the budget process. Funds containing financial assets which are primarily cash and things that will be converted to cash, like a receivable from a utility customer. When they talk about a fund balance perspective in the way governments are managed the City tends to appropriate short term financial resources.

## **NEW BUSINESS**

### **TAB 1 – Fiscal 2002/03 Annual Financial Statement and Compliance Report**

Mr. LeMond stated that meaning spendable things so they can have money to spend on something and get the job done. The other perspective now is an economic flow of resources such as roads, streets, sidewalks, gutters and street lamps, that have never been recorded before are now resting in a new set of financial statements. For the first time those things are going under depreciation which this not something they had to be concerned about before. Depreciation could be a sleeping problem because it is accounting for essentially the wear and tear of these physical assets but it is not using up cash. In reality it is a real expense that occurs with the passage of time, things wear out and need to be replaced. Often times now the measure of the accumulated depreciation over time is a way of looking at what the eventual replacement costs is going to be. A lot of this was suggested to governments by users of governmental financial statements, like credit rating agencies and others who felt there needed to be a longer term perspective when it comes to governmental finances. What was not mentioned is that the job is not quite done yet; the finance function has more infrastructures. Some older streets and roads that have to come into the financial statements in the 03/04 fiscal year. Consultants were used to help inventory elements of the infrastructure to help value it for the first time and record it in the financial statements. There was an awful lot of work that took place by their finance function; for the very first time they had to address things as part of their financial reporting responsibilities. The Public Works function was more involved and they had to give a lot of input into what goes into the financial statements, mainly infrastructure. So, the financial reporting is getting a little more involved as is impacting the resources and hopefully they will have another way to look at financial information and measure things in a broader scope than they have in the past. The good news is they gave unqualified opinions, meaning they did not find anything wrong with the accuracy and the compliance. There are no compliance findings and this is an area where a lot of this audit is spent, checking and making sure that the government is following the letter of the rule. Internal control matters are things they look at every year, there could be good people doing this and that and having a good audit firm checking on things at the end of the year, but the best assurance that things are working right are the systems, processes and the way things get done and if they are done right they should insure the proper result. A couple of things they noticed this year in Accounts Payable and the timely recording but they found some invoices recorded in the wrong period which isn't fraudulent or a misuse of anything, just a timing issue.

## **NEW BUSINESS**

### **TAB 1 – Fiscal 2002/03 Annual Financial Statement and Compliance Report**

Mr. LeMond stated that the other issue subsequent to the June 30, 03 year end, was the discovery of cash receipts in Engineering. Essentially these are two internal control matters, because these are the kinds of things that if these problems exist and they are not fixed they could lead to problems with the reliability of the City's financial information. This does not mean they found anything unreliable but these are the kinds of conditions they need to tell City Council about. The issue from the prior year was corrected and the good news is that Management told the auditors a year ago they will correct it. On these two reportable conditions are in the Management Report in more detail. Additionally, the Management Report beyond those conditions they are obligated to report to City Council include some areas for future opportunities in a way to improve some things in the future. Finally, the letter to City Council talking about the auditor responsibilities, if they had a disagreement with management, they would have to tell City Council about it and in that letter they had no disagreements. There were a few more corrections this year than in the past but much has to do with the infrastructure being recorded the first time. Lastly, in regards to financial remediation, Mr. Garcia and Ms. Overholt talked about the progress made from the year ending June 2000 to the year ending June 2003. When he was reporting to the City Council for year ending June 30, 1999, things were not very good. There was no General fund balance, and the City had a lot of inter-fund borrowings and moving money around. It was not a good time for the City beginning with 99/00 fiscal year, management instituted a remediation plan at the blessing of the City Council and getting behind that over time things have changed dramatically. Statistics from June 30, 2000, the unrestricted cash was \$33 million and in June 30, 2003, it was \$66 million. The short term borrowings went from a high of \$10 million to under \$5 million. Some of this is always going to occur because of the timing of receipt of certain monies, because a lot of times the government has to front the money from one source, perhaps the General Fund, to get something done and is waiting for something to come back from another agency. If there is too much of that then it's a sign of instability, financially. At the June 30, 2000 point, the total General fund balance was \$9.3 million and most was reserve, not by City Council action but by the action of other granting agencies or it was reserve because the assets weren't readily available. Consequently, when they looked at what was unreserved and available for appropriation, there wasn't anything, it was a negative. So the City began the year in the hole which is not a good year because you are borrowing against the future.



## **NEW BUSINESS**

### **TAB 1 – Fiscal 2002/03 Annual Financial Statement and Compliance Report**

Mr. LeMond stated that when you look at the General Fund Balance on June 30, 2003 it is at \$22.5 million and \$16 million available for appropriations. In regards to the self insurance funds, just three years earlier they were upside down by over \$3 million dollars, red inked and no reserves. The City now has a positive \$1.8 million, almost a \$5 million swing in a matter of three years. As the auditor looking at what the City has done, the audit firm really didn't have too much to do with the changes other than pointing some things out; there has been some remarkable financial progress, especially when you look at the tough times many governments have gone through in the last couple of years. The City has been able to add to their financial strength, because you can not operate without fund balance, you need some discretionary money there to take advantage of opportunities and to cover if the State does something. The State doesn't have any money and fortunately the City has something to fall back on and Management and this City Council are responsible for that. It's still a work in process and there are still a lot of threats out there, especially with the State's situation. Most are aware that PERS had performance problems because of the stock market and employee retirement costs have increased substantially. The best news he can give is that the City is in a better position than three years ago.

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Council Member Robertson thanked the staff for their efforts. It has been tough and thinks everyone has paid attention and has been real focused and diligent. Its documented proof that they have turned things around. She asked what is the City's credit rating.

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Mr. LeMond stated that the City certainly has today the kinds of things what credit agencies take a look at the City's financial health and they are very interested in the General Fund and unrestricted cash balances. They watch things like inter-fund borrowings.

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Council Member Hanson stated that she was recently in contact with some relatives who purchased some Rialto City Bonds and the agency they went through said they were AAA rating.

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## **NEW BUSINESS**

### **TAB 1 – Fiscal 2002/03 Annual Financial Statement and Compliance Report**

Mayor Vargas stated that the word remarkable describes the City's staff. Because without them they would not have been able to reach their goal. They have all worked tremendously hard and as a team to make this a reality for the City. She is pleased and excited because three years ago they were not there. She stated that she appreciates City Administrator Henry Garcia and since he has come aboard they have done remarkable things.

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Council Member Robertson stated that in regards to expanding the inventory and assessing its value, does this also mean looking at the product with the material. She was thinking they take the value of the road, but when they rehab the road they use a certain material that brings a longer life expectancy and does this get factored in.

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Mr. LeMond stated that this does get factored in. The financial statement, the balance sheet still has a historical perspective. For example, part of the difficulty in recording a lot of this is that they had to go back to using the pavement management system for the streets. They had to estimate the average the existing life of the streets today and determine what the cost was when the streets were first put in and depreciate off that original cost basis.

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Council Member Sampson asked how synonymous are the terms "net assets" and "net worth."

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Mr. LeMond stated that they are almost identical. Over time they will begin to see from a trend analysis perspective on how that net worth changes and what influences that net worth.

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Motion by Council Member Sampson, second by Council Member Robertson and carried by unanimous vote to receive and file Fiscal Year 2002/03 Annual Financial Statement, Redevelopment Agency Financial Statement, Compliance Report (Single Audit), Letter to Council and Management Letter.

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Council Member Sampson commended the Finance Department and thanked the other departments for being frugal and their team effort.

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## **NEW BUSINESS**

### **TAB 2 – PSA with McGlarey & Pullen, LLP for auditing services 03/04**

June Overholt, Chief Financial Officer stated that staff is recommending approval of the engagement letter with McGladrey & Pullen for auditing services for the fiscal year ending 2004. They have just reported on 2003 and June 30, 2004 is long passed but they need to start the audit service. McGladrey & Pullen, LLP has performed the last seven years of audits and they work closely with staff and City Council to deal with the various financial issues during this time and McGladrey & Pullen has helped implement GASB 34 and there is still more to implement.

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Motion by Council Member Hanson, second by Council Member Sampson and carried by unanimous vote to approve the Professional Services Agreement with McGladrey & Pullen, LLP to provide auditing services for fiscal year 2003-2004.

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### **TAB 3 - RHA Resolution No. 0007-04 – apply for HELP funds for Acquisition, Rehabilitation and Affordable Multi-Family Housing Project**

Robb Steel, Economic Development Director stated that this is a request to submit an application to the California Housing Finance Agency for \$1 million in funding assistance to support the Multi-Family Acquisition and Rehabilitation Project they are negotiating with Southern California Housing Development corporation. They submitted an application for \$2 million in the Spring and awarded \$1 million in July. The second piece is a critical component of the project obligation with So. Cal Housing. This request simply authorizes them to submit the application. If the funding award is made, the Executive Director is required to execute the loan documents that go with that. They are optimistic that they will receive the funding, because they did well on the last funding round. Around December or January funding announcements will be made and they hope to have \$1 million additional funding available to them. The reason why they are applying for these funds is that the terms are very attractive, 3% simple interest, deferred for 10 years, meaning they will not have to make any payments for 10 years, which will give them a chance to get the projects in the ground and deal with the repayment later. It is a loan they have to pay and after the presentation is heard and book the appropriate liability and the financial statements so they recognized the obligation.

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## **NEW BUSINESS**

### **TAB 3 - RHA Resolution No. 0007-04 – apply for HELP funds for Acquisition, Rehabilitation and Affordable Multi-Family Housing Project**

Mayor Pro Tem Wilson asked what kind of timeframe were they looking at getting the project on the ground and did they have any restrictions on getting the project started.

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### **NEW BUSINESS**

**TAB 3 - RHA Resolution No. 0007-04 – apply for HELP funds for Acquisition, Rehabilitation and Affordable Multi-Family Housing Project**

Robb Steel, Economic Development Director stated that the contract requires them to commit funding within 18 months after they execute the contract. They only recently executed the first contract for the \$1 million awarded in July and they have 18 months to expend the monies. If for some reason the project stumbles, they will contact Cal FHA and see if they can redirect the funds or if they have to return the funds.

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Mayor Pro Tem Wilson stated that knowing that this is a large project requiring money from many different funding sources.

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Robb Steel, Economic Development Director stated that the HOME monies were the other key components are controlled by the County of San Bernardino and are grant monies and more advantages and hope to receive a \$3 million allocation. The game plan right now and in cooperation with So. Cal. Housing is to wait until after the November elections and visit the newly elected Supervisor and see if they can get the project back on track.

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Mayor Pro Tem Wilson stated that they should make that visit to both candidates now and maybe they will get a more favorable response.

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Mayor Vargas asked if the money goes towards building more affordable multi-family housing projects or rehabilitating what the City already has.

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Robb Steel, Economic Development Director stated that this application is to acquire blighted four-plexes, eight-plexes and rehabilitate them so there won't be an increase in new apartment units, basically a revitalization of the worst.

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Motion by Mayor Pro Tem Wilson, second by Council Member Hanson and carried by unanimous vote to adopt **RHA Resolution No. 0007-04** authorizing to apply for housing enabling by Local Partnership (HELP) funds to assist in financing an Acquisition, Rehabilitation and Affordable Multi-Family Housing Project.

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**TAB 4 – Purchase Agreement for real property located at the Northeast corner of Riverside Ave and Rialto Ave.**

Robb Steel, Economic Development Director stated that this is a request to approve a purchase agreement for the property that sits at the Northeast corner of Riverside Ave. and Rialto Ave. For many years this property has been used as a park and the Redevelopment Agency had an agreement with the former property owner to pay the property taxes if they allowed the City to use it as a park site. Unfortunately the owner recently died and his Estate contacted the Agency to see if they were interested in purchasing this property. The Agency had the property appraised and the value was 415,000 and the offer was made to the Estate and they accepted it. The Agency would like to put this property to use as a catalyst for the downtown area. They have acquired another parcel just north; the Beneficial building. They are also looking at doing other acquisitions in the area to try and put together a key development parcel. Their goal would be to put a retail office/mixed use type of project that would create some energy for that intersection. There is no environmental impact at this point and no formal project proposed. If and when there is a project proposed, they will be required to comply with CEQA. The financial impact of the project is going to cost the Agency \$415,000 In the base purchase price and will probably incur another \$10,000 in escrow costs in Phase I, title expenses and ask for \$425,000 to complete the acquisition.

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Council Member Robertson asked if they had some sense of interest because they have quite a bit of land pieces they are holding.

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Robb Steel, Economic Development Director stated that they hope to put it out to test the marketplace to see how much interest there would be and still contacting some owners in the neighboring properties to see if there is some interest in selling so they can make bigger project. Probably the end of this year or early next year at least have a Request for Proposals prepared and out for general interest.

**NEW BUSINESS**

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**TAB 4 – Purchase Agreement for real property located at the Northeast corner of Riverside Ave and Rialto Ave.**

Motion by Council Member Hanson, second by Council Member Robertson and carried by unanimous vote to approve the Purchase Agreement between Elizabeth A. Meek, Trustee of the Elvin Meek Family Trust and the Redevelopment Agency for the real property located at the Northeast corner of Riverside Ave. and Rialto Ave. and adopt **RDA Resolution No. 381** approving appropriations in the amount of \$425,000.

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**TAB 5 – PSA with the Planning Center  
for a Public Outreach Program**

Robb Steel, Economic Development Director stated that this a proposed Professional Services Agreement with the Planning Center to conduct the Public Outreach Program related to the Rialto Airport Asset Strategy. In May 2004 the Planning Center had presented Phase I and at that time they provide some options for the City Council to do some further analysis. Scaling back the aviation operation at the Airport and developing some of the surplus properties was option I. Option II was to consider total closer and redevelopment of the Airport properties to alternate land uses. At the conclusion of that presentation the City Council directed staff to solicit Phase II proposals which included a fairly extensive cost benefit analysis of those two options along with some community outreach efforts. The essence of Phase II proposal is 9-12 month planning exercise and \$275,000 in consultant fees. The EDC expressed some concerns about the amount of time that was going to take and the cost and suggested that they try to break it down to smaller critical pieces and most important piece being the outreach effort. They requested that the Planning Center resubmit the proposal for the Community outreach Program which included scoping sessions with stakeholders in the area, aircraft owners and some of the residents in the surrounding neighborhoods and a survey that looks at the broader community and ask what would be appropriate for the airport property. The revised Phase II proposal has a proposed cost of \$58,000 which is the maximum they anticipate expending on this effort. The timeframe because this was important, the original scope presented anticipated completing this work by the end of December. Because they are a month behind from the original proposal they will be coming back to City Council in January with a summary of the findings from the outreach efforts and from that point City Council can decide whether it wants to revisit the original cost benefits proposal that was contemplated or move on to an alternate strategy. They are still preserving all their options to decide what to do with the Airport re-strategy. He stated that the Agency had budgeted \$150,000 during this fiscal year to complete Phase II analysis. They are now a little short on the larger scope of work with that budget but they have ample funds to complete the proposed revised scope of work.

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Council Member Sampson stated that Mr. Steel talked about the possibility of reducing the scope of work. If this was done would they have the fullest picture on redevelopment?

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## **NEW BUSINESS**

### **TAB 5 – PSA with the Planning Center for a Public Outreach Program**

Robb Steel, Economic Development Director stated that if they were to reduce the scope it would primarily to eliminate what was deemed overkill. For instance, one of the suggestions was cutting a survey back from 15 minutes to 10 minutes which would save \$5,000. They need to be conscience of the information they are seeking and whether the information is really going to be useful if they are asking for a lot of questions that aren't really relevant to what they are trying to decide.

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Mayor Pro Tem Wilson stated that when they do this outreach effort he hopes they get a little more participation than they generally get. They have had some outreach efforts within certain departments that not had the support or interest for participation from residents. He stated that they were reluctant for the more expensive study to have an outside agency tell them what the City wants, when they can go the citizens themselves.

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Council Member Robertson stated that she hopes they could get the consultant to spend the time engaging the community, hearing from them and making the effort to see. She did not see them needing to take the 9-12 months to get the input. They need to get the stakeholders and residents to the table and find out what they want. She is glad to see this cost scaled down from \$75,000. It is a matter of getting out to the airport and seeing it in it entirety and getting some input on the direction they would like to go.

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Motion by Council Member Hanson, second by Council Member Robertson and carried by unanimous vote to approve a Professional Services Agreement between the Redevelopment Agency of the City of Rialto and the Planning Center for a Public Outreach Program related to the Rialto Airport Asset Strategy.

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### **TAB 6 – Resolution No. 5156 to increase purchase order no. 2004-2019 with Hayer Consultants for plan check services**

Mike Story, Development Services Director stated that in July 2003 the City Council extended a Professional Services Agreement with Hayer Consultants, Inc. (HCI) for a building and safety plan review services and also for inspection services on an as needed basis through June 2004. The purchase order with HCI for fiscal year 03/04 was approved by the City Council in conjunction with that PSA for an amount of \$120,090. Now due to the increase in volume of major commercial and industrial development projects during that fiscal year, its necessary to utilize the services of HCI to perform technical and complex plan checks.

## **NEW BUSINESS**

### **TAB 6 – Resolution No. 5156 to increase purchase order with Hayer Consultants for plan check services**

Mike Story, Development Services Director stated that the cost of these additional services through June 30, 2004 was an additional \$39,000. There are invoices currently outstanding for the last fiscal year that will require an increase of \$39,000. The revised amount would be \$159,090. Funding is available from additional revenues and increased development and no funds are utilized from the General Fund.

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Motion by Council Member Robertson, second by Council Member Hanson adopt **Resolution No. 5156** to increase Purchase Order No. 2004-2019 with Hayer Consultants for plan check services for an amount no to exceed \$159,090 for 2003/2004 fiscal year.

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### **TAB 7 – Increase purchase order with Willdan for building inspection services**

Mike Story, Development Services Director stated that currently assigned employees from Willdan are temporarily fulfilling duties of Building Inspector within the Development Services Department. In May 2004 the purchase order with Willdan for contract building inspection services was increased by the City Council for an additional \$62,500 which staff estimated at the time would cover the cost through the end of fiscal year 03/04. With the increase in the volume of field inspections and the number of major projects and commercial//industrial development that are ongoing, it was necessary to increase the amount of inspectors to two fulltime contract building inspectors which bring the total in the department to five inspectors. The cost of these additional services through June 30<sup>th</sup> was \$30,000. There are currently invoices outstanding and require an increase of \$30,000. Funds are approved and available in the Development Services Fund and no funds will be utilized from the General Fund. Funds are available due to the additional fees and commercial development that have occurred.

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Motion by Council Member Hanson, second by Council Member Sampson and carried by unanimous vote to increase Purchase Order No. 2004-2018 with Willdan for building inspection services for an amount not to exceed \$120,500 for 2003/2004 fiscal year.

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### **TAB 8 – Resolution No. 5157 for the SR 210 Utility Relocation Project**

Bryce Johnston, Interim City Engineer, stated that the City entered into an agreement with Caltrans a Freeway Agreement that required the City to relocate its water and wastewater facilities within the SR 210 freeway.



## **NEW BUSINESS**

### **TAB 8 – Resolution No. 5157 for the SR 210 Utility Relocation Project**

Bryce Johnston, Interim City Engineer stated that State compensates the City 100% for all work that is done to those facilities. The current project that is nearing completion and they are able to put together a reasonable estimate as to what cost are associated with water and wastewater. This resolution is to adjust the budget to make sure that the appropriate accounts are budgeted for and match the Utility Agreements that the City has entered into with the State.

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Motion by Council Member Sampson, second by Council Member Hanson and carried by unanimous vote to adopt **Resolution No. 5157** to adjust the budget for the SR 210 Utility Relocation Project to align budget with the Revised Utility Agreement with the State of California.

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### **TAB 9 – Contract for maintenance of traffic signals with Econolite Traffic Engineering and Maintenance, Inc.**

Bryce Johnston, Interim City Engineer stated that the City Rialto annually goes out with the contract to handle its maintenance and repair of its signals throughout the City. The Engineering Department has gone out with a request for proposals and received four proposals. The proposals were taken to the Transportation Commission for recommendation and it was determined that the contract should be awarded to Econolite Traffic Engineering and Maintenance. The one thing they try to do to minimize the cost is they always try to use the insurance carriers on the accidents to reimburse the City to keep the cost down. Last year was a significantly higher year than previous years and they are trying to make adjustments to the budget.

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Council Member Hanson asked if this included synchronization and timing of the signals at intersections.

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Bryce Johnston, Interim City Engineer stated signal timing coordination is a separate function which requires either physically timing signal to signal or installing the correct hardware for the signals to talk to each other. This is a separate function and since bringing a Traffic Engineer on board he has already written a memo on what the options are.

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Mayor Pro Tem Wilson stated that he sees its already been through the Transportation Commission and two members had expressed a number of concerns on how these issues are handled.

## **NEW BUSINESS**

**TAB 9 – Contract for maintenance of traffic signals with Econolite Traffic Engineering and Maintenance, Inc.**

Mayor Pro Tem Wilson asked that they take a second chance to make sure they gather all the information from the Commission.

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Bryce Johnston, Interim City Engineer stated that they brought this issue to the Transportation Commission twice. Once when they first received the bids and everyone made their comments and recommended Econolite. The second time was after references were checked. During the course of the year there was a lot of debate between the different companies that existed because two of the Commissioners also work in Engineering Departments in other cities that have relationships with some of the companies that submitted proposals.

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Council Member Sampson stated that they talked about looking at certain intersections with signal timing and one of the major problems right now is Valley and Riverside Avenues and the area just over the freeway.

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Bryce Johnston, Interim City Engineer stated that Valley and Riverside is a very particular problem in itself in regards to the freeway traffic. The most significant problem is the queuing distance between Valley and Interstate 10. In order to be able to increase the capacity of the Valley intersection the ideal situation would be to move Valley away from Interstate 10, which is not possible solution. When the new construction on the Interstate happens for a new interchange configuration will be at Riverside and I-10, it will allow more traffic to get off at Riverside and into the Valley intersection and there will be some increased capacity for right hand turns onto Valley but the queuing distance is still a problem to increase capacity to move through Valley Blvd. There may be a little bit of benefit when they are able to coordinate the new signals at the interchange on the ramps.

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Mayor Vargas asked for a list of all the areas where there will be new signals.

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Bryce Johnston, Interim City Engineer stated that it was listed on the staff report the ones coming quickly; Riverside and Knollwood – in front of Trapp Elementary as a part of the Safe Route to School Grant program which is a crosswalk signal.

## **NEW BUSINESS**

### **TAB 9 – Contract for maintenance of traffic signals with Econolite Traffic Engineering and Maintenance, Inc.**

Bryce Johnston, Interim City Engineer stated that at Randall and Cedar there is an agreement between the County and City to split the cost of the new signal and is high on the signal priority list as well as the County Signal Priority list. At Riverside and Agua Mansa is also a cooperation with the City of Colton where its almost completed in design and will be constructed in the near future. There are additional signals that will be happening either by developer or by what the City is looking at such as Bloomington and Willow. He stated that he did not include any others because they are not in the next few months of actually having a timetable.

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Council Member Robertson stated that as part of the report it stated that there was a list of signalized intersections.

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Bryce Johnston, Interim City Engineer stated that yes, there is a signal priority list that needs to be submitted to City Council. The attachment to the staff report is the current 40 signals they have and not future signals list.

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Motion by Council Member Hanson, second by Council Member Robertson and carried by unanimous vote to award the contract for maintenance and emergency repair of city-owned traffic signals to Econolite Traffic Engineering and Maintenance, Inc. in the amount of \$169,901.33.

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### **TAB 10 – Make findings of continuing emergency for the raw sewage cleanup**

Fire Chief Steve Wells stated that on July 14<sup>th</sup> an 18 inch sewer main was blocked near Fire Station 203 which resulted in a raw sewage spill into the Fire Station and into the street. They experienced about half of the Fire Station being affected and caused a displacement of fire crews for several day until cleanup efforts could at least mitigate the bacterial hazards in that station. Cleanup and rehab continues as of this date. They entered into an emergency appropriation that requires that City Council reviews the emergency action at this and all other subsequent regular meetings until the action is terminated. It is anticipated that the total cost for the restoration of the Fire Station will be approximately \$220,353 which is based on estimates and a submittal of a contract from the General Contractor Veterans Construction of \$156,683 plus 10% contingency. The work affected about half of the Fire Station including the men and women's shower/locker facility dorm facility and all of the apparatus room floor where the fire engines are stored.

## **NEW BUSINESS**

### **TAB 10 – Make findings of continuing emergency for the raw sewage cleanup**

Fire Chief Steve Wells stated that the work is included tearing up the carpets, tile and 18 inches up all of the walls affected and interior doors, lockers and beds. To date about half of the rehab has been completed including the antibacterial decontamination of the station so crews can occupy the station to respond out of that station. They were displaced for one week and responded out of Station 201 and are now back in the station. One of the showers have been completed so the crews do have a place to shower and cleanup after a call. Staff recommends that City Council by a 4/5ths vote find that there is a need to continue the action taken to date and authorize subsequent expenditures until cleanup and rehab is complete.

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City Administrator Garcia stated that they are seeking restitution from what they believe is an issue that is not arising out of their fault and they will be pursuing that and coming back with an information item to the City Council on how they seek reimbursement for the losses they incurred.

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Council Member Robertson stated that it was her understanding that the sewage spill was a direct result of something else that occurred by others but there was no mention of seeking restitution or filing of a claim.

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Motion by Council Member Sampson, second by Council Member Hanson and carried by unanimous vote to make findings of continuing emergency for the raw sewage clean-up & facilities rehabilitation at Fire Station No. 203

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## **ORAL COMMUNICATIONS**

Blakely Patterson, 3684 N. Fernwood Ave., asked if there was anything being done to regulate parking in residential areas of the City and will there be any updates in the Municipal Code.

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City Attorney Owen stated that the Ordinance that was spoken of tonight that prohibits truck parking in the City applies in residential and commercial areas. He is not aware of the City engaging in any effort to prohibit cars from parking in residential areas.

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## ORAL COMMUNICATIONS

Mr. Patterson stated that he has noticed people parking their trailers, big rigs and boats and parking them on the driveways and they are hanging out onto the sidewalks. Is there anything that would prohibit those people from parking there?

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Council Member Sampson stated that they do have parking restrictions in residential areas although it's a timing issue where passenger vehicles are concerned. In regards to commercial vehicles they have always had a requirement where if the commercial vehicle is not delivering a load or picking up a load then there are certain streets on which they are prohibited depending on the weight of the truck. In many cases it's a matter of enforcement of the restrictions.

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Council Member Robertson asked for clarification on what Mr. Patterson is asking. Is he talking about people parking on the street or people parking large vehicles on their private properties?

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Mr. Patterson stated that he is speaking about both.

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City Attorney Owen suggested that he contact Code Enforcement Division.

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City Administrator Garcia suggested that Mike Story, Development Services Director could give an update at the next City Council Meeting of what the existing issues are and mesh with the Code Enforcement to get a sense on the severity of the issue.

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Mr. Patterson stated that another question he had was that he noticed that the City is being divided into separate neighborhood, so why not divide the City into districts. A district would provide equal representation and is more democratic and feels it will happen sooner or later.

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Mayor Vargas stated that she understands his concerns of the parking issues and hopes to have a better answer for him next meeting.

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## **ORAL COMMUNICATIONS**

Council Member Robertson asked that when Mr. Story brings that update regarding parking can he also bring an update regarding group homes and the number facilities and regulations.

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Reverend Genaro Alvarez, 851 W. Granada St., suggested posting street sweeping signs in the neighborhoods so the streets can be cleaned properly. He also suggested making a court in Rialto so the money from the violations can stay in Rialto.

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Council Member Robertson stated that in regard to street sweeping they have been looking into this because they do need to have signs posted to get the maximum efficiency out of the street sweeper.

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Maricio Robles, 966 S. Date Ave., expressed his concern about problem residents that moved into his neighborhood and is asking for assistance from the City.

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City Administrator Garcia requested that they meet with a staff member at the door to get their names and telephone numbers. He stated that since Chief Meyers is out sick he will pass on this assignment to Lt. Farrar to assess the problem to assure community safety.

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## **REPORTS**

Council Member Robertson stated that she attended the graduation for the Jr. Police Academy on Wednesday, August 25<sup>th</sup> and was happy with the participation and the involvement of the parents.

Council Member Robertson wished a Happy Belated Birthday to City Clerk Barbara McGee.

Council Member Robertson stated that she attended a Community Meeting by the North Pepper Ave. Neighborhood Watch Groups.

Council Member Robertson stated that she attended a Community Meeting sponsored by Assemblymember John Longville for the update of the construction of Route 210.

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## **REPORTS**

Council Member Sampson stated that in regards to the North End Pepper Ave. Community Meeting the Neighborhood captains worked well together which shows unity. This is what we need to make the community safer.

Council Member Sampson stated that he unfortunately missed the Jr. Police Academy graduation because he took his 15 month old grand daughter to a scheduled doctor appointment.

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Council Member Hanson stated that she was engaged in a lot Homeland Security Activities. She attended an American Red Cross shelter workshop and received a Certificate of Completion for the Inland Empire of the Chapter of Preparedness Activities.

Council Member Hanson stated that they had a drill at the Rialto Playhouse which has been the site of several drills which consists of search and rescue, transport, suppression team and treatment team.

Council Member Hanson stated that she attended the Jr. Police Academy Graduation.

Council Member Hanson stated that they have been refurbishing the Rialto Playhouse.

Council Member Hanson stated that they will be opening the first performance of this year's season Mr. Roberts on Friday, September 10<sup>th</sup>.

Council Member Hanson stated that they will be having a fundraiser for the Eisenhower High School Band and they will be receiving the funds from the play "Mr. Roberts."

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Mayor Pro Tem Wilson stated that High School Fall sports will be starting soon and encouraged people to get out and support them.

Mayor Pro Tem Wilson expressed his concerns about the traffic from the 210 freeway construction detours.

Mayor Pro Tem Wilson stated that he attended the North End Pepper Neighborhood Watch Group Community Meeting.

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Mayor Vargas stated that she met with several residents to assist with their issues.

Mayor Vargas stated that she had lunch with the Senior Citizens at the Senior Center.

## **REPORTS**

Mayor Vargas stated that she admires the people who formed the Community groups because they care about their neighborhood.

Mayor Vargas encouraged everyone to attend the International Family Festival on Saturday, September 18<sup>th</sup>

Mayor Vargas wished a Belated Happy Birthday to City Clerk Barbara McGee whose birthday was on August 25<sup>th</sup>.

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## **City Administrator Report**

City Administrator Garcia expressed his appreciation and thanks to the camera crew.

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## **ADJOURNMENT**

Motion by Council Member Robertson, second by Council Member Sampson and carried by unanimous vote to adjourn the meeting.

The City Council adjourned at 8:35 p.m.

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MAYOR GRACE VARGAS

ATTEST:

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CITY CLERK BARBARA A. McGEE, CMC